

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

April 14, 2003
6:00 p.m.

Council Chambers
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Degginger, and Councilmembers Creighton, Davidson, Lee, Mosher, and Noble

ABSENT: None.

Redmond

City Council: Mayor Rosemarie Ives, Council President Richard Cole, Council Vice President Holly Plackett, and Councilmembers Nancy McCormick and Thomas Paine

1. Special Joint Meeting with Redmond City Council

Mayor Marshall called the meeting to order at 6:05 p.m. She welcomed the Redmond City Council for the annual Bel-Red Overlake Transportation Study (BROTS) Reconciliation Meeting. The Interlocal Agreement, signed in 1999, provides a framework for working together to manage growth and address transportation needs.

Kris Liljeblad, Transportation Assistant Director, said the primary objective of the BROTS Interlocal Agreement is to jointly manage land use and traffic congestion in the Overlake area. The purpose of tonight's briefing is to review projects, the Financing Plan Report, level of service (LOS) on transportation facilities, development in the Overlake area, trip reduction strategies, the status of the North-South Corridor Study, and proposed updates to the BROTS agreement.

Terry Marpert, Redmond Planning Department, provided an update on Redmond's BROTS projects. Redmond has completed four of 19 projects since 1999, four more projects are fully funded, and three projects are partially funded. Based on 1998 values, Redmond has completed or funded 44 percent (\$14.4 million) of its \$32.6 million responsibility in the agreement. Approximately \$18 million remains to be funded by 2012.

Mr. Marpert said Redmond's Grass Lawn district experienced a concurrency level of service of 1.00, compared to the standard of .85. The Overlake district has a concurrency LOS of .79, compared to the standard of .95. Mr. Marpert explained Redmond's concurrency test, which is

applied to projects generating 30 or more PM peak trips. If a development project is tested and there is no degradation of LOS performance in the city's seven districts, the project is approved. In areas such as the Grass Lawn district, which currently exceeds its LOS standard, development projects are allowed to proceed if they produce no further decline in the level of service or can be mitigated to the existing level of service. A developer cannot be legally compelled to mitigate preexisting trips.

Mr. Marpert said there has been little development in Redmond's Overlake area in recent years following an active development period between 1995 and 1999. He explained that the proposal for the Overlake Urban Center designation is based on the presence of mixed land uses, pedestrian amenities, and residential units that are not typically found in areas with the manufacturing or technology center designation. Redmond City Council has not approved any changes in the proposed 15.4 million square foot development cap for the Overlake area. However, staff is scheduled to reevaluate the cap in 2008.

Eric Miller, Transportation Capital Programming Manager, reported on Bellevue's BROTS projects: four of 20 Bellevue projects have been completed, 10 of 26 Bellevue or joint projects are completed or fully funded, and three projects are partially funded. Four of the fully funded projects have been packaged together and recently awarded a construction contract as the NE 29th Connection Project in Bellevue. Based on 1998 values, Bellevue has completed or funded 50 percent of its \$36.4 million responsibility in the agreement. Approximately \$18 million remains to be funded.

Mr. Miller reviewed LOS figures for the three mobility management areas (MMAs) in the Overlake area: 1) Bridle Trails – Concurrency LOS of 0.452 compared to the standard of 0.80, 2) Bel-Red/Northup – Concurrency LOS of 0.642 compared to the standard of 0.90, and 3) Overlake – Concurrency LOS of 0.679 compared to the standard of 0.95.

Susie Serres, Transportation Long-Range Planning Manager, thanked Bellevue Councilmembers Lee and Mosher and Redmond Councilmembers Misenar and Paine for their work on the BROTS Transportation Demand Management (TDM) Subcommittee. She described the Bravo campaign initiated to focus on trip reduction strategies in the Overlake area. One goal of the program was to increase employee use of non-SOV (single occupancy vehicle) travel modes by 10 percent over the baseline study. Non-SOV use actually increased 13 percent overall with a 35 percent non-SOV rate on Fridays. The Bravo program involved 127 employers and more than 15,000 employees. In a follow-up survey, 29 percent of respondents said they are "likely to use" a commute alternative. Ms. Serres reviewed additional recommended trip reduction strategies including continuation of the Commute Trip Reduction (CTR) program, continued TDM funding by cities, a renewed focus on developer Transportation Management Plans (TMPs), community outreach, continued incentives, Rideshare Assistant (Internet-based matching service), and strengthening the role of Transportation Management Associations (TMAs).

Ms. Serres described the North-South Corridor Study, a joint effort of Bellevue and Redmond staff. The study's objectives were to: 1) identify alternate solutions to the 152nd over-crossing of SR 520, 2) identify projects to enhance north-south mobility between and including 148th and 156th Avenues in the Overlake area, 3) identify projects to improve the people-carrying capacity

of 148th Avenue NE, north of Bel-Red Road, and 4) maintain and improve transit access and reliability. The Study's Technical Advisory Committee recommended the following improvements:

- Near-term (By 2012)
 - Re-stripe southbound 148th Avenue at SR 520
 - Improvements to the intersection of NE 24th and 148th Avenue
- Long-term (Beyond 2012)
 - 152nd Avenue extension
 - SR 520 off-ramp to 152nd Avenue.

Mr. Liljeblad reviewed a proposed amendment to the BROTS Interlocal Agreement. Currently any change to the scope of a BROTS project must be processed as an amendment to the agreement and requires the approval of both City Councils. Staff recommends amending the agreement to allow administrative approval of minor modifications to project scopes. As an example, Mr. Liljeblad described a desired modification for a project at Northup Way and NE 20th Street. Engineering staff have suggested a slightly different lane configuration for the same number of lanes. The change will not increase the project cost. The proposed amendment to the Interlocal Agreement will allow administrative approval of minor modifications as long as it does not increase project cost or reduce the LOS benefit of the project beyond a point acceptable to both parties.

Mr. Liljeblad said staff recommends establishing a Joint Council BROTS Subcommittee to address issues throughout the year, in between annual reconciliation meetings.

Responding to Councilmember McCormick about the Bravo program results, staff explained that Friday was the peak day in terms of a reduction in SOV trips, reflecting increased carpooling and transit use on Fridays. Telecommuting is not increasing, although compressed workweek schedules are becoming more common.

Responding to Mr. Noble, Mr. Marpert said the City of Redmond tests its traffic model every 12 to 18 months. Staff performs an analysis of existing land use and new developments and prepares a travel forecast, which becomes the new basis for testing LOS.

Mr. Mosher expressed support for the proposed amendment to the BROTS agreement and encouraged continued focus on TDM efforts.

Ms. Plackett said tenants of the Village at Overlake are concerned about the lack of park facilities in the area. She suggested that the future 152nd Avenue extension/overpass incorporate a lid for the development of office space and a park. Mr. Marpert described a conceptual plan for the lid, which could create approximately 8.5 acres of developable land. Redmond's policies encourage residential development in the area, and a park would serve both residents and local workers. Microsoft has indicated an interest in creating an overpass at 152nd Avenue before 2012.

Mr. Paine expressed support for allowing administrative changes to the BROTS agreement as outlined by staff. He encouraged further efforts to increase non-SOV travel modes in the Overlake area.

Dr. Davidson questioned the future development of the Overlake area beyond the BROTS agreement's expiration in 2012. Mr. Liljeblad commented that serving the long-range transportation future will require a different land use horizon. Mayor Ives said Redmond is encouraging residential development to balance the availability of jobs. She noted little development in the Overlake area in recent years or in the near future.

Referring to the proposed amendment to the agreement, Deputy Mayor Degginger suggested adding a requirement to provide written notice of changes to both cities' Planning Directors as well as both City Councils.

Responding to Mr. Noble, Mr. Liljeblad said the state-funded Eastside concurrency study is nearing completion. A report will be provided to the state legislature later this year.

Responding to Mr. Lee, Mayor Ives said she has talked with CEOs in Redmond about subsidizing housing costs for employees, as a way to enhance the balance in housing and jobs.

- ➡ Mr. Lee moved to approve: 1) the creation of a joint Council BROTS Subcommittee to continue policy input between annual reconciliation meetings, and 2) an amendment to the BROTS Interlocal Agreement to allow administrative approval of minor scope modifications for BROTS projects if they do not increase project costs or decrease acceptable LOS performance. The City Councils and Planning Directors of Bellevue and Redmond are to be notified of any project modifications. Ms. Plackett seconded the motion.

Responding to Mr. Cole, Councilmembers agreed on selecting two members from each Council to serve on the BROTS Subcommittee.

- ➡ The motion to approve the creation of a joint Council BROTS Subcommittee and an amendment to the Interlocal Agreement to allow administrative approval of changes in project scope, subject to specific criteria, carried by a vote of 12-0.

Mayor Ives thanked Bellevue for hosting the meeting. She is pleased with the progress in recent years and thanked staff for their work.

Mayor Marshall expressed the Council's ongoing commitment to BROTS issues and thanked Redmond Councilmembers for attending.

2. Oral Communications: None.

3. Study Session

(a) Council New Initiatives

No new initiatives were introduced.

(b) Management Brief – Actions in response to citizen concerns about enforcement of the Noise Code

City Manager Steve Sarkozy recalled discussion during the April 7 City Council Regular Session regarding noise complaints in the Horizon Heights neighborhood. He noted the management brief on page 3-1 of the Council packet summarizing actions taken by the Police Department in response to the complaints.

Mayor Marshall thanked Mr. Sarkozy and Major Linda Pillo for their attention to this matter.

(c) Update on Charter Process

Myrna Basich, City Clerk/Assistant City Manager, provided an update on the charter process. She recalled that Council selected May 20 for the special election on this issue with a preference for voting entirely by mail. Due to the placement of a countywide parks bond issue for the May 20 election, King County Records and Elections Office has declined Bellevue's request for a mail-only election. The May 20 special election on the charter initiative will be held in the normal fashion utilizing polling places and absentee ballots. Absentee ballots will be mailed on April 29 or 30.

The filing period for freeholder candidates closed on April 9, and 34 candidates have filed for the 15 freeholder positions. If the public vote supports proceeding with the charter process, the freeholders will draft a charter for subsequent voter approval. Ms. Basich said public outreach activities on the charter initiative include information on the City's web site, an upcoming article in *It's Your City*, a public forum, flyers, and news releases.

Responding to Mr. Noble, Ms. Basich clarified that voters will be asked to vote on whether they are in favor of the creation of a city charter. The second question, regardless of a voter's answer to the first question, is to vote for the 15 freeholder positions.

Responding to Dr. Davidson, Ms. Basich said if the "yes" vote falls below 40 percent, the issue cannot be presented again for a vote for at least two years.

Responding to Mr. Noble, Ms. Basich estimated election costs at \$133,000 plus approximately \$25,000 to publish the voters pamphlet.

(d) State Legislative Update

Diane Carlson, Director of Intergovernmental Relations, said the local government revenue bill passed by the state senate last week differs from the position outlined in Council's legislative agenda. The bill allows a countywide sales tax with voter approval as well as limited voter-approved levy increases extending to six years.

Ms. Carlson responded to questions of clarification from the Council. Mayor Marshall asked whether King County is already at its levy maximum, and Council agreed to revisit the issue next week.

Ms. Carlson noted a draft letter requesting the governor veto the apportionment section of the B&O (business and occupations) tax legislation. She said several large cities are sending similar letters.

Responding to Mayor Marshall, Ms. Carlson explained a provision in the B&O bill that would require apportionment beginning in 2008. This means a business will be able to divide its revenue by location, potentially to a city without a B&O tax.

Mayor Marshall questioned the fairness of taxing a business transaction occurring in another city, state, or country based on the location of the business's headquarters. She welcomes corporate headquarters in Bellevue and cautioned against legislative policy that would encourage businesses to locate in cities without a B&O tax.

Responding to Mr. Mosher, Deputy City Manager Ed Oberg said the square footage tax is intended to be a corporate headquarters' tax, and a business generally does not pay both. Mr. Mosher expressed support for sending the letter to the governor. He is frustrated the governor previously agreed with cities about apportionment and is now in favor of adding it to the legislation.

Mayor Marshall noted her support for the B&O model ordinance developed by cities over the past two years.

- ➡ Mr. Mosher moved to send the letter to Governor Locke requesting a veto of the apportionment section of the B&O (business and occupations) tax legislation, and Dr. Davidson seconded the motion.

Deputy Mayor Degginger is concerned apportionment could trigger unintended consequences. He supports the motion. Mr. Noble concurred.

Mr. Mosher noted the flexibility exists to modify B&O tax regulations in the future if desired.

- ➡ The motion to send the letter to Governor Locke requesting a veto of the apportionment section of the B&O (business and occupations) tax legislation carried by a vote of 7-0.

4. Discussion of Upcoming Items: None.

5. Executive Session

At 8:00 p.m., Mayor Marshall announced recess to Executive Session for approximately two hours to discuss two items of property acquisition, one item of potential litigation, one item of pending litigation, and one item of property disposition.

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At 9:59 p.m., Mayor Marshall declared the meeting adjourned.

Myrna L. Basich
City Clerk

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